

Revenue Ruling 57-102

Section 61 – Gross Income Defined

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A benefit payment to a blind person under the Public Assistance Law of the Commonwealth of Pennsylvania is not includible in the gross income of the recipient.

Advice has been requested whether a benefit payment to a blind person received under the Public Assistance Law of the Commonwealth of Pennsylvania is includible in his gross income.

The benefits to the blind by the State of Pennsylvania are paid under the Public Assistance Law, as amended, P.L. 399, 2051, enacted by the State of Pennsylvania and approved June 24, 1937, Title 62, Section 2509(c) Purdon's Pennsylvania Statutes Annotated, 1956, for the purpose of providing for and regulating assistance to certain classes of persons requiring relief. Provision is made therein for the administration of the Act by the Department of Public Assistance and county boards of assistance created for this purpose. It authorizes the Department of Public Assistance to cooperate with, and to accept and disburse money received from, the United States Government for assistance to such persons.

The benefit payments which a blind person receives from the State of Pennsylvania constitutes a disbursement from a general welfare fund in the interest of the general public. Such payments are not includible in the gross income of the recipients for Federal income tax purposes. See I.T. 3447, C.B. 1941-1, 191.